

ARTICLE 7

RELATING TO FEES

SECTION 1. Section 7-11-307 of the General Laws in Chapter 7-11 entitled “Rhode Island Uniform Securities Act” is hereby amended as follows:

7-11-307. Federal covered securities.

(a) The director may require by rule or order the filing of any or all of the following documents with respect to a covered security under § 18(b)(2) of the Securities Act of 1933, 15 U.S.C. § 77r(b)(2):

(1) Prior to the initial offer of a federal covered security in this state, all documents that are part of a current federal registration statement filed with the U.S. Securities and Exchange Commission under the Securities Act of 1933, 15 U.S.C. § 77a et seq., or, in lieu of filing the registration statement, a notice as prescribed by the director by rule or otherwise, together with a consent to service of process signed by the issuer and with a nonrefundable fee of one-tenth of one percent (0.1%) of the maximum aggregate offering price at which the federal covered securities are to be offered in this state, but not less than three hundred dollars (\$300) or more than one thousand five hundred dollars (\$1,~~0~~500).

(2) An open end management company, a face amount certificate company, or a unit investment trust, as defined in the Investment Company Act of 1940, 15 U.S.C. § 80a-1 et seq., ~~may~~ shall file a notice for an indefinite amount of securities. The issuer, at the time of filing, shall pay a nonrefundable fee of one thousand five hundred dollars (\$1,~~0~~500).

(3) After the initial offer of the federal covered security in this state, all documents that are part of an amendment to a current federal registration statement filed with the U.S. Securities and Exchange Commission under the Securities Act of 1933, are filed concurrently with the director.

(4) Unless otherwise extended by the director, an initial notice filing under this subsection or subsection (b) is effective for one year commencing upon the date the notice or registration statement, as applicable, is received by the director unless a later date is indicated by the issuer. A notice filing may be renewed by filing a renewal notice as prescribed by the director and paying a renewal fee of one thousand five hundred dollars (\$1,~~0~~500).

(b) Regarding any security that is a covered security under § 18(b)(3) of the Securities Act of 1933, unless the security is exempted by Section 7-11-401 or is sold in an exempt transaction

1 under Section 7-11-402, the issuer shall file a notice prior to the initial offer of such security in this
2 state. Such notice filing shall include a uniform application adopted by the director, a consent to
3 service of process, and the payment of a nonrefundable fee as prescribed in a(1) above.

4 (bc) Regarding any security that is a covered security under § 18(b)(4)(D) of the Securities
5 Act of 1933, 15 U.S.C. § 77r(b)(4)(D), the director may by rule or otherwise require the issuer to
6 file a notice on SEC Form D and a consent to service of process signed by the issuer no later than
7 fifteen (15) days after the first sale of the federal covered security in this state, together with Form
8 U-2, Form D and a nonrefundable fee of three hundred dollars (\$300).

9 (ed) The director may by rule or otherwise require the filing of any document filed with
10 the U.S. Securities and Exchange Commission under the Securities Act of 1933, 15 U.S.C. § 77a
11 et seq., with respect to a covered security under § 18(b)(3) or (4) of the Securities Act of 1933, 15
12 U.S.C. § 77r(b)(3) or (4), together with a notice and fees as defined in subparagraph (a)(1).

13 (de) The director may issue a stop order suspending the offer and sale of a federal covered
14 security, except a covered security under § 18(b)(1) of the Securities Act of 1933, 15 U.S.C. §
15 77r(b)(1), if the director finds that (1) the order is in the public interest and (2) there is a failure to
16 comply with any condition established under this section.

17 ~~(e) Notwithstanding the provisions of this section, until October 11, 1999, the director may~~
18 ~~require the registration of any federal covered security for which the fees required by this section~~
19 ~~have not been paid promptly following written notification from the director to the issuer of the~~
20 ~~nonpayment or underpayment of the fees. An issuer is considered to have promptly paid the fees if~~
21 ~~they are remitted to the director within fifteen (15) days following the person's receipt of written~~
22 ~~notification from the director.~~

23 (f) The director may by rule or order waive any or all of the provisions of this section.

24 SECTION 2. Section 23-17-38.1 of the General Laws in Chapter 23-17 entitled "Licensing
25 of Health-Care Facilities" is hereby amended to read as follows:

26 **23-17-38.1. Hospitals – Licensing fee.** ~~– (a) There is also imposed a hospital licensing fee~~
27 ~~at the rate of five and six hundred fifty two thousandths percent (5.652%) upon the net patient~~
28 ~~services revenue of every hospital for the hospital's first fiscal year ending on or after January 1,~~
29 ~~2015, except that the license fee for all hospitals located in Washington County, Rhode Island shall~~
30 ~~be discounted by thirty seven percent (37%). The discount for Washington County hospitals is~~
31 ~~subject to approval by the Secretary of the U.S. Department of Health and Human Services of a~~
32 ~~state plan amendment submitted by the executive office of health and human services for the~~
33 ~~purpose of pursuing a waiver of the uniformity requirement for the hospital license fee. This~~
34 ~~licensing fee shall be administered and collected by the tax administrator, division of taxation~~

~~within the department of revenue, and all the administration, collection, and other provisions of chapter 51 of title 44 shall apply. Every hospital shall pay the licensing fee to the tax administrator on or before July 10, 2017, and payments shall be made by electronic transfer of monies to the general treasurer and deposited to the general fund. Every hospital shall, on or before June 14, 2017, make a return to the tax administrator containing the correct computation of net patient-services revenue for the hospital fiscal year ending September 30, 2015, and the licensing fee due upon that amount. All returns shall be signed by the hospital's authorized representative, subject to the pains and penalties of perjury.~~

~~(b)~~(a) There is also imposed a hospital licensing fee at the rate of five and eight hundred fifty-six thousandths percent (5.856%) upon the net patient-services revenue of every hospital for the hospital's first fiscal year ending on or after January 1, 2016, except that the license fee for all hospitals located in Washington County, Rhode Island shall be discounted by thirty-seven percent (37%). The discount for Washington County hospitals is subject to approval by the Secretary of the U.S. Department of Health and Human Services of a state plan amendment submitted by the executive office of health and human services for the purpose of pursuing a waiver of the uniformity requirement for the hospital license fee. This licensing fee shall be administered and collected by the tax administrator, division of taxation within the department of revenue, and all the administration, collection, and other provisions of chapter 51 of title 44 shall apply. Every hospital shall pay the licensing fee to the tax administrator on or before July 10, 2018, and payments shall be made by electronic transfer of monies to the general treasurer and deposited to the general fund. Every hospital shall, on or before June 14, 2018, make a return to the tax administrator containing the correct computation of net patient-services revenue for the hospital fiscal year ending September 30, 2016, and the licensing fee due upon that amount. All returns shall be signed by the hospital's authorized representative, subject to the pains and penalties of perjury.

(b) There is also imposed a hospital licensing fee at the rate of five and eight hundred fifty-six thousandths percent (5.856%) of upon the net patient-services revenue of every hospital for the hospital's first fiscal year ending on or after January 1, 2017, except that the license fee for all hospitals located in Washington County, Rhode Island shall be discounted by thirty-seven percent (37%). The discount for Washington County hospitals is subject to approval by the Secretary of the U.S. Department of Health and Human Services of a state plan amendment submitted by the executive office of health and human services for the purpose of pursuing a waiver of the uniformity requirement for the hospital license fee. This licensing fee shall be administered and collected by the tax administrator, division of taxation within the department of revenue, and all the administration, collection, and other provisions of chapter 51 of title 44 shall apply. Every hospital

1 shall pay the licensing fee to the tax administrator on or before July 10, 2019, and payments shall
2 be made by electronic transfer of monies to the general treasurer and deposited to the general fund.
3 Every hospital shall, on or before June 14, 2019, make a return to the tax administrator containing
4 the correct computation of net patient-services revenue for the hospital fiscal year ending
5 September 30, 2017, and the licensing fee due upon that amount. All returns shall be signed by the
6 hospital's authorized representative, subject to the pains and penalties of perjury.

7 (c) For purposes of this section the following words and phrases have the following
8 meanings:

9 (1) "Hospital" means the actual facilities and buildings in existence in Rhode Island,
10 licensed pursuant to § 23-17-1 et seq. on June 30, 2010, and thereafter any premises included on
11 that license, regardless of changes in licensure status pursuant to chapter 17.14 of title 23 (hospital
12 conversions) and §23-17-6(b) (change in effective control), that provides short-term acute inpatient
13 and/or outpatient care to persons who require definitive diagnosis and treatment for injury, illness,
14 disabilities, or pregnancy. Notwithstanding the preceding language, the negotiated Medicaid
15 managed care payment rates for a court-approved purchaser that acquires a hospital through
16 receivership, special mastership, or other similar state insolvency proceedings (which court-
17 approved purchaser is issued a hospital license after January 1, 2013) shall be based upon the newly
18 negotiated rates between the court-approved purchaser and the health plan, and such rates shall be
19 effective as of the date that the court-approved purchaser and the health plan execute the initial
20 agreement containing the newly negotiated rate. The rate-setting methodology for inpatient hospital
21 payments and outpatient hospital payments set forth in §§ 40-8-13.4(b)(1)(B)(iii) and 40-8-
22 13.4(b)(2), respectively, shall thereafter apply to negotiated increases for each annual twelve-month
23 (12) period as of July 1 following the completion of the first full year of the court-approved
24 purchaser's initial Medicaid managed care contract.

25 (2) "Gross patient-services revenue" means the gross revenue related to patient care
26 services.

27 (3) "Net patient-services revenue" means the charges related to patient care services less
28 (i) charges attributable to charity care; (ii) bad debt expenses; and (iii) contractual allowances.

29 (d) The tax administrator shall make and promulgate any rules, regulations, and procedures
30 not inconsistent with state law and fiscal procedures that he or she deems necessary for the proper
31 administration of this section and to carry out the provisions, policy, and purposes of this section.

32 (e) The licensing fee imposed by this section shall apply to hospitals as defined herein that
33 are duly licensed on July 1, ~~2017~~ 2018, and shall be in addition to the inspection fee imposed by §
34 23-17-38 and to any licensing fees previously imposed in accordance with § 23-17-38.1.

SECTION 3. Section 27-10-3 of the General Laws in Chapter 27-10 entitled “Claim Adjusters” is hereby amended to read as follows:

27-10-3. Issuance of license.

(a) The insurance commissioner may issue to any person a license to act as either a public adjuster; company adjuster; or independent adjuster once that person files an application in a format prescribed by the department and declares under penalty of suspension, revocation, or refusal of the license that the statements made in the application are true, correct, and complete to the best of the individual's knowledge and belief. Before approving the application, the department shall find that the individual:

(1) Is at least eighteen (18) years of age;

(2) Is eligible to designate this state as his or her home state;

(3) Is trustworthy, reliable, and of good reputation, evidence of which shall be determined by the department;

(4) Has not committed any act that is a ground for probation, suspension, revocation, or refusal of a professional license as set forth in § 27-10-12;

(5) Has successfully passed the examination for the line(s) of authority for which the person has applied;

(6) Has paid a fee of ~~one~~ two hundred and fifty dollars (\$~~150~~250).

(b) A Rhode Island resident business entity acting as an insurance adjuster may elect to obtain an insurance adjusters license. Application shall be made using the uniform business entity application. Prior to approving the application, the insurance commissioner shall find both of the following:

(1) The business entity has paid the appropriate fees.

(2) The business entity has designated a licensed adjuster responsible for the business entity's compliance with the insurance laws and rules of this state.

(c) The department may require any documents reasonably necessary to verify the information contained in the application.

SECTION 4. Section 42-28-26 of the General Laws in Chapter 42-28 entitled “State Police” is hereby repealed.

~~42-28-26. Location of school.~~

~~The municipal police training school shall be maintained by the state and located on the premises of the University of Rhode Island and such other state-owned property as the superintendent of the state police, with the consent of the governor, may from time to time determine.~~

SECTION 5. Chapter 42-28 of the General Laws entitled "State Police" is hereby amended by adding thereto the following section:

42-28-25.2. Establishment of Municipal Police Training Tuition and Fees Account.

(a) There is hereby created within the department of public safety a restricted receipt account to be known as the municipal police training tuition and fees account.

(b) Tuition and fees collected pursuant to § 42-28-31, and physical fitness fees collected pursuant to § 42-28-25, shall be deposited in this account and be used to fund costs associated with the municipal police training school.

(c) All amounts deposited into the municipal police training tuition and fees account shall be exempt from the indirect cost recovery provisions of § 35-4-27.

SECTION 6. Sections 42-28-25 and 42-28-31 of the General Laws in Chapter 42-28 entitled "State Police" are hereby amended to read as follows:

42-28-25. State and municipal police training school established.

(a) Within the Rhode Island state police there is hereby created and established a state and municipal police training school.

(b) The superintendent of the state police shall have supervision of the state and municipal police training academy and shall establish standards for admission and a course of training. The superintendent shall report to the governor and general assembly a plan for a state and municipal police training academy on or before December 31, 1993. The superintendent shall, in consultation with the Police Chiefs' Association and the chairperson of the Rhode Island commission on standards and training make all necessary rules and regulations relative to the admission, education, physical standards and personal character of the trainees and such other rules and regulations as shall not be inconsistent with law.

(c) Applicants to the state and municipal police training academy shall pay an application fee in the amount of fifty dollars (\$50.00); provided, however, the superintendent may waive such application fee if payment thereof would be a hardship to the applicant.

(d) Trainees shall pay to the division an amount equal to the actual cost of meals consumed at the state police and municipal police training academy and the actual cost of such training uniforms which remain the personal property of the trainees.

(e) The municipal police training school is hereby authorized to hold statewide physical training tests for applicants applying for sworn officer positions in municipal law enforcement agencies. The school shall charge a fee in in accordance with its rules and regulations. All fees collected shall be deposited into the municipal police training tuition and fees account, pursuant to § 42-28-25.2

1 ~~(e)~~ (f) All fees and payments received by the division pursuant to this subsections (c) and
2 (d) shall be deposited as general revenues.

3 **45-28-31. Expenses of school – Compensation of candidates.**

4 (a) The municipal police training school is hereby authorized to charge students tuition in
5 accordance with its rules and regulations. All tuition payments shall be deposited into the restricted
6 receipt account established in § 42-28-25.2. ~~No tuition fee or any other charge shall be assessed~~
7 ~~against any city or town for the training of any candidate and the expense of that training shall be~~
8 ~~borne by the state of Rhode Island.~~ If tuition and fees collected are not sufficient for proper
9 maintenance and operation of the municipal police training school, the general assembly shall
10 annually appropriate such sum or sums as may be necessary for the proper maintenance of the
11 municipal police training school.

12 ~~(b); provided, however, that~~ Any compensation to any candidate during the period of his
13 or her training shall be fixed and determined by the proper authority within the city or town
14 sponsoring the candidate and such compensation, if any, shall be paid directly to the candidate by
15 the city or town of which he or she is a resident.

16 SECTION 7. This article shall take effect July 1, 2018 except for: Section 1, which will
17 take effect on August 1, 2018; and Section 3, which will take effect on January 1, 2019.